Engineering & Services where it matters most

Mission, business and safety-critical solutions

2018 Results
### 2018 highlights

<table>
<thead>
<tr>
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<th>2017</th>
<th>2018</th>
<th>Change</th>
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<tbody>
<tr>
<td>Group revenue</td>
<td>£27.9m</td>
<td>£39.0m</td>
<td>up 40%</td>
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<tr>
<td>Adj. operating profit(^1)</td>
<td>£2.1m</td>
<td>£4.0m</td>
<td>up 85%</td>
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<tr>
<td>Group closing order book</td>
<td>£41.7m</td>
<td>£48.3m</td>
<td>up 16%</td>
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<tr>
<td>Closing cash</td>
<td>£21.9m</td>
<td>£22.4m</td>
<td>up £0.5m</td>
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1. Adjusted operating profit is defined as operating loss adjusted to add back depreciation of property, plant and equipment and right-of-use assets, amortisation of intangible assets and impairment gains or losses on non-current assets, changes in fair value of contingent consideration, acquisition consideration accounted for as employment costs owing to on-going service creditors, any other acquisition-related charges, share-based payment charges and non-operating costs. Non-operating costs are those items believed to be exceptional in nature by virtue of their size and/or incidence. The Directors of the Company believe this measure is more reflective of the underlying performance of the Group than equivalent GAAP measures. This is primarily due to the exclusion of non-cash items, such as share-based payments, impairment, depreciation and amortisation, as well as acquisition and non-operating costs. This provides shareholders and other users of the financial statements with the most representative year-on-year comparison of operating performance. This measure and the separate components remain consistent with 2017.

- Global demand – order intake of £43.2m demonstrates another very strong year
- Efficient conversion to revenue whilst retaining order book
- Extended international reach
- Acquisitions added value, capability and customers
- Continued investment in manufacturing technology, systems and team
- Strong working capital performance
What we do

Defence equipment  Secure communications  Energy systems  Artificial Intelligence

Analysis & design  Precision manufacturing  System integration  Through-life support

We are system engineers working in the defence, intelligence & security, space and energy sectors.
TP Group at a glance

We deliver mission-critical systems and equipment to keep our customers and the wider public working safely and securely.

Two business streams:
• Consulting & Programme Services
  Advising on strategic problems and implementing technology-driven solutions
• Technology & Engineering
  The design, manufacture and support of mission-critical systems
Last 10 years of growth

- Acquisition of rugged systems business Westek 2019
- Acquisition of consulting business Polaris 2018
- Multi-unit, multi year £22m defence equipment contract 2017
- Acquisition of services companies ALS and FSS 2017
- Awarded contract for nuclear condenser 2016
- Awarded £22m long-term services contract with MoD 2016
- Corac rebrands as TP Group plc 2015
- Renewable energy engineering agreement with Spirax Sarco 2014
- Major development contract with BP 2013
- Acquired 2x Wellman Group companies 2012
- New corporate strategy, funds raised for growth 2011
- New executive leadership team at Corac 2010
Serving a Global Market
Growth drivers

- **Submarine programmes** – international tensions are driving increased global spend, especially in Asia Pacific.
- **Defence land platforms** – connectivity is key to flexible front-line forces worldwide.
- **Surface naval ships** – new generation using autonomy and modular systems for faster response and lower build costs.
- **Space missions & operations** – more planned in the UK, Europe and the US.
- **Nuclear** – demand for high-integrity systems and decommissioning.
- **Downstream petrochemicals** – market recovery is driving renewed demand for refurbishment and new-build.
Consulting and Programme Services

Current programmes
• Information assurance – Maritime & Coastguard Agency
• Army HQ programme support
• Specialist operational support – Joint Forces Command
• Artificial Intelligence for autonomous navigation of surface vessels

Programme pursuits
• Platform management systems – UK Navy
• Machine Learning in intelligence services
• Skynet 6 technical & mission support
• AI in renewable energy systems
• SERAPIS – defence & intelligence research

CaPS
£66m

Group sales pipeline
£218m


Technology & Engineering

Current programmes

• Refurbishing in-service submarine equipment
• CO₂ equipment – SE Asia submarines
• COGS for UK in-service submarines
• Framework agreement Naval Group
• Rugged IT systems to UAE customer
• Nuclear condensers - BHGE

Programme pursuits

• Surface fleet types 31e and 26 equipment
• Dreadnought system build
• Australia SEA1000 - 12 submarines
• Nuclear decommissioning equipment
• Multiple major downstream energy facilities, Belgium, UAE, Oman
• Space launch equipment

T&E Group sales pipeline

£152m £218m
Opportunities to acquire, invest or partner:

- International services and technologies
- US outreach
- Safer CO₂ removal
- Space equipment and technology
- Intelligence systems and services
- Critical software – commercial and security applications
Group strategy

Five priorities

• Sustainable competitive leadership in complex, mission-critical systems
• Drive value from excellent relations with major customers
• Invest in best-in-class people, operating capabilities and technologies
• Supplement organic growth with suitable acquisitions and partnerships
• Expand our geographic reach in customers and capabilities
Our aim is to be the first choice global partner providing services and equipment when critical systems are needed to assure public and industry security and wellbeing.

Build shareholder value through organic growth, acquisitions and strategic partnerships.

Our goal is to be a leading tier-2 services and engineering provider, delivering sustainable profit from annual revenues c. £100m.

01/ Rare combination of business capabilities
02/ Market-leading propositions
03/ Trusted supplier of mission-critical equipment and systems
04/ Secure long-term programmes
05/ High barriers to entry
06/ Extensive major account relationships
07/ Global outreach leading to global capability
08/ Proven leadership team
09/ Cash generative
Critical packaged equipment and systems

Trusted across air, land, sea and space